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## AHIP Speaks to MA 2025 Rate & Policy Environment

### Winners, Losers & Other Observations

Relevant Companies



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### »» Our Take & Next Up

**We spent time with AHIP (America's Health Insurance Plans) Medicare policy guru this week on MA and the outlook for the next 1-3 years.** We asked our guest speaker to unpack the 2025 rate notice, thoughts and analyses the trade performed going into 2025, as well as messaging and priorities going forward. 2025 will be challenging, benefits will be reduced (they already were in 2024), with smaller plans not having the cost base that larger plans have. Plans with a higher proportion of duals will also be disadvantaged. Piling on, the MA & Part D "clean up" rule with broker fee & supplemental benefit reforms and v28/rate cuts for 2024 provide almost a death by 1,000 paper cuts situation. No matter who takes the White House, according to AHIP, Medicare spending will be a high priority, and the focus will likely be on reducing MA spending, not Medicare per se. Part D reforms (per IRA in 2025) are forgotten with higher insurance liability in the catastrophic phase, and that also presents a challenge as plans bid in a whole new world, not being completely sure where inflation, utilization, as and where their competitors will shake out on pricing. Recall that MA buys down Part D plans (and Part D premiums spiked in '24 and will likely spike again in '25).

### »» Key Points

**CMS always assumed that there would be a much lower cost situation in 2025.** Our speaker noted that...

*Want to keep reading or learn more?*

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